

STATE OF COLORADO

DIVISION OF MINERALS AND GEOLOGY

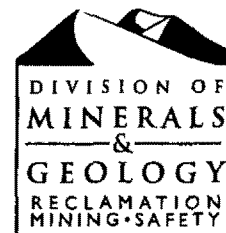
Department of Natural Resources

1313 Sherman St., Room 215

Denver, Colorado 80203

Phone: (303) 866-3567

FAX: (303) 832-8106



September 3, 2002 ✓

Larry Perino ✓

Sunnyside Gold Corporation

P.O. Box 177

Silverton, CO 81433

Bill Owens
GovernorGreg E. Walcher
Executive DirectorRonald W. Cattany
Acting Division Director

RE: Approval of Construction Certification for American Tunnel Bulkhead No. 2,
TR-025, Sunnyside Mine, Permit No. M-1977-378. ✓

Dear Mr. Perino:

DMG has reviewed and accepted the construction certification report for the American Tunnel Bulkhead No. 2, dated August 20, 2002, and performance report for the American Tunnel Bulkhead No. 2, dated August 14, 2002. Please proceed with permanent closure of the bulkhead valve on the American Tunnel Bulkhead No. 2 and construction preparations for the American Tunnel Bulkhead No. 3, as previously approved in TR-025.

Additionally, DMG has reviewed and approved your request, dated August 14, 2002, to waive the performance monitoring requirements of Stipulation No. 3 for TR-025 for the American Tunnel Bulkhead No. 3. Please note that the Engineer's construction report and certification requirement of Stipulation No. 3, and all aspects of Stipulations No. 1 and 2 for TR-025 remain intact for the American Tunnel Bulkhead No. 3.

Please contact me at the DMG Durango Office, 701 Camino del Rio, Room 125, Durango, CO 81301, phone (970) 247-5469, if you have any questions.

Sincerely,

Wallace H. Erickson

Environmental Protection Specialist

cc: Allen Sorenson